Form MR-SMO (Revised July 25, 2012)

his Section for DOGM Use:	2-1
Assigned DOGM File N	0.: 5/037 10128
OOGM Lead: Mike	
Permit Fee \$	Ck#
	7549

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940 RECEIVED
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DIV. OF OIL, GAS & MINING

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program (R647). The rules and Act are available online at http://www.rules.utah.gov/publicat/code/r647/r647.htm and http://le.utah.gov/~code/TITLE40/40 08.htm.

Cultural Resources Survey: To fulfill its obligations under Utah Code Annotated 9-8-404, the Division needs cultural resource (archaeology) information. The amount and type of information required will depend on the mine location, the history of previous disturbance, and other factors. Please contact the Division for further information.

A permit fee of \$150 must accompany this application (Utah Code Ann. §40-8-7(1)(i)) and is due annually.

"Small Mining Operations" are operations which have a disturbed area of ten or fewer surface acres at any time in unincorporated areas, or five acres or fewer in incorporated areas.

I. GENERAL INFORMATION (Rule R647-3-104)

1.	Name of Mine: Shumway Hovenweep
2.A.	Name of Entity Applying for a Permit: San Juan County
	Contact (Authorized Officer): Kelly Pehrson (San Juan County Administrator)
	Mailing Address: 117 S. Main
	City, State, Zip: Monticello, UT 84535
	Phone: <u>(435)</u> 587-3225
	E-mail Address: kpehrson@sanjuancounty.org
	Entity is a: () Corporation, () LLC, () Sole Proprietorship (dba), () Individual, () Partnership (General, orlimited), (_x_) Other (specify type) – Local Government
	Business Entity (not individuals) must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) If not currently registered, contact www.commerce.utah.gov to renew or apply.
2.B.	Are you currently registered to do business in the State of Utah? () Yes () No Business Entity #:
	Local Business License #: (if required)
	Issued by: County: or City:
	Registered <u>Utah</u> Agent (as identified with the Utah DOC) (if individual leave blank): Name: Title:
	Name: Title:
	City, State, Zip:
	Phone: Fax:
	E-mail Address:

2.C. Entity's Representative(s) (if different from #2A) authorized and designated to receive notices of violation, cessation orders, and all other notices to be given to the permittee or operator by the Division. Name: Scott Christensen Title: County Road Operations Manager Address: 117 S. Main City, State, Zip: Monticello, UT 84535 Phone: 435-459-1811 Fax: Emergency, Weekend, or Holiday Phone: E-mail Address: schristensen@sanjuancounty.org Title: Address: City, State, Zip: Fax: Phone: Emergency, Weekend, or Holiday Phone: E-mail Address: If Business is a Sole Proprietor (dba) or Individual: 3. Name of Owner:_____ Title:_____ Business Address: City, State, Zip: Phone: E-mail Address: If Business is a Corporation: Name of Officers: _____ Title: _____ Name: _____ Title: _____ Name: _____ Title: _____ Title: Name: Headquarters Address: City, State, Zip: City, State, Zip: _____ Fax: _____ E-mail Address: If Business is a Limited Liability Company: Member Managed (___) Manager Managed (___) Name of 1st Member/Manager: ______ Title: _____ Business Address: City, State, Zip: Phone: _____ Fax: _____ E-mail Address: Name of 2nd Member/Manager: _______ Title: _____ Business Address: City, State, Zip: Fax: Phone: E-mail Address: _____ If Business is a Partnership: Names of Partners: Business Address: City, State, Zip: Phone: _____ Fax: _____ E-mail Address: ___ If Business is a Partnership: Names of Partners: Business Address: City, State, Zip:

Phone: _____ Fax: _____

E-mail Address:

5.	Ownership of Land Surface:			
	Private (Fee) (_x_) BLM () State Trust Land/School Section	s () State Soverei		
	Other (please describe):	A 11 00 10 N. D.	M (: D ID)	
	Name Shane Shumway			
	Name	_ Address		
	Name	_ Address		
	Name	_ Address		
6.	Ownership of Minerals:			
	Private (Fee) (x) BLM (_) State Trust Land/School Section Other (please describe):	s () State Soverei	gn Lands ()	
	Name	_ Address		
	Name			
	Name			
	Name	_ Address		
does n activity comm	Utah State Lease Number(s):BLM/USFS Lease or Project File Name of Lessee(s): Have the above surface and mill fino, why not? Does the Entity have legal righth this notice? Yes x No What is the pre-mining land use, What is the postmining land use? What is the postmining land use? The be advised that if State Trust Lands and satisfy the notification requirement of on State Trust Lands requires a mile encing any activities. Please contacts to the state of the state	ineral owners been not to enter and conduct i.e. cropland, grazing, virillaries are involved, notification to of Mineral Leases up frimum of 60 days notice	mining operations on the wildlife habitat? Grazing, on to the Division of Oil, Gon State Trust Lands. Exerto the Trust Lands Admin	X No e land covered by wildlife as and Mining alone coloration or mining mistration prior to
II.	PROJECT LOCATION & MAP	(Rule R647-3-105)		
1.	Project Location & Map (legal d	description):		
	County(ies): San Juan County			
	1/4, of SE1/4, of NV	N_ 1/4, Section:14	Township: 39 S	_Range: 25 E
	1/4, of SW1/4, of NV		Township: 39 S	_Range: 25 E
	1/4, of NE1/4, of SV		Township: 39 S	Range: 25 E
	1/4, of NW1/4, of SV	V1/4, Section:14_	Township: 39 S	Range: 25 E
	UTM East: 664103	(if known) UTM N	orth: 4140480	(If known)
	Name of Quad Map for Location:	Hatch Trading Post		

2.	Is the project within an incorporated area? () Yes (_x) No	
1.	If yes, what is the town or city? <u>Location and Operations maps</u> must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.	
	a. The general location map must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.	
	 b. The operations map (1"=200' or other scale as determined necessary by the Division) must be labeled and identify: The area to be disturbed; The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and Any adjacent previous disturbance for which the operator is not responsible. 	
	(Contact the Division for a list of consultants and land surveyors for mapping assistance.)	
	The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.	
	OPERATION PLAN (Rule R647-3-106)	
	Type of mining: Surface (_x_) Underground () Mineral(s) to be mined: Rock riprap_ Amount of material to be extracted, moved, or proposed to be moved:	The state of the s
	Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process? Yes () No (_x_) If yes, please describe (add extra pages if needed):	Column Street St
	Provide a brief description of the proposed mining operation, and onsite processing facilities (add extra pages if necessary). Track hoes, loaders, and/or dozers will extract material from the surface and buried within 10 feet. The material will be sized, and stockpiled in a central location. Suitable material will be	The state of the s
	hauled off-site. (_x_) New Road(s): Length 700(ft), Width 24(ft) () Improved Road(s): Describe improvements that need to be made to existing roads to access the site, including the Length(ft) and Width(ft) of new	
	disturbances. No improvements will be required for the existing roads.	

- 9. Proposed startup date (month, year): August, 2016______
 10. Proposed completion, if known (month, year): December, 2016______

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at:: https://fs.ogm.utah.gov/pub/MINES/Coal Related/RecMan/Reclamation Manual.pdf.

- 1. Keep the mining operation in a safe, clean, and environmentally stable condition.
- 2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
- 3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
- Construct berms, fences, or barriers, when needed, above highwalls and excavations.
- 5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
- 6. Remove all waste or debris from stream channels.
- 7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
- 8. Conduct mining activities so as to minimize erosion and control sediment.
- 9. Reclaim all roads that are not part of a permanent transportation system.
- 10. Stockpile topsoil and suitable overburden prior to mining.
- 11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- 12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
- 13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
- 14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance must be approved writing in advance by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measures to be utilized to meet the intent of the rule. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Variance Red 9	R647-3-9
Item #	Applicable Rule
Justification:	The landowner wants to keep the road and will maintain it as per the applicable rule
Alternate me	thods or measure to be utilized:

Attach additional page(s) if more variances are requested.

Are variances being requested? Yes (X) No ()

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index.

Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.

VII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. This certification must be signed by: (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Signature:	Date: <u>Sep 1, 2016</u>
Name (typed or printed): Scott Christensen Title/Position (if applicable): San Juan County Road	
Title/Position (if applicable): San Juan County Road	Operations Manager

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